



Air Force Information Technology Commodity Council

DLS SB Industry Day

28 Jul 2004

One Air Force...One Network...One IT Business S



OUTLINE

- **ITCC Background**
- **DLS Strategy Overview**
- **ITCC Supplier Expectations**



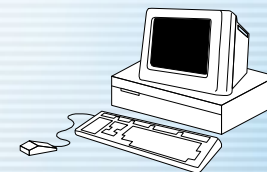
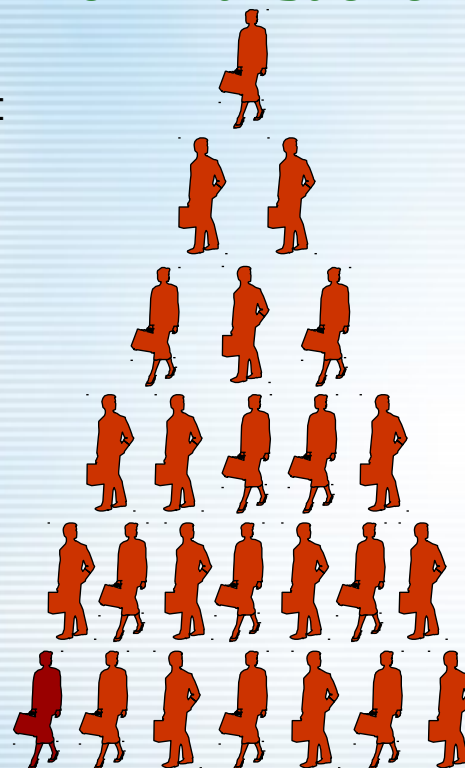
Transformation Begins with Changing Behavior

Strategic

Activities

Market knowledge
Supply base management
Commodity strategy
Risk management
Sourcing strategy
Supplier capability assessment
Strategic negotiation
Supplier selection
Supplier development
Establish performance metrics
Supplier performance evaluation/reporting
Commercial (tactical) negotiation
Order processing

From transactional to strategically focused



Tactical



ITCC VISION/MISSION

- **Vision:**

One Air Force...One Network...One IT Business Strategy

- **Mission:**

Develop IT commodity strategies which shape Air Force buying and asset management behavior in order to leverage Air Force buying power and reduce total cost of ownership.



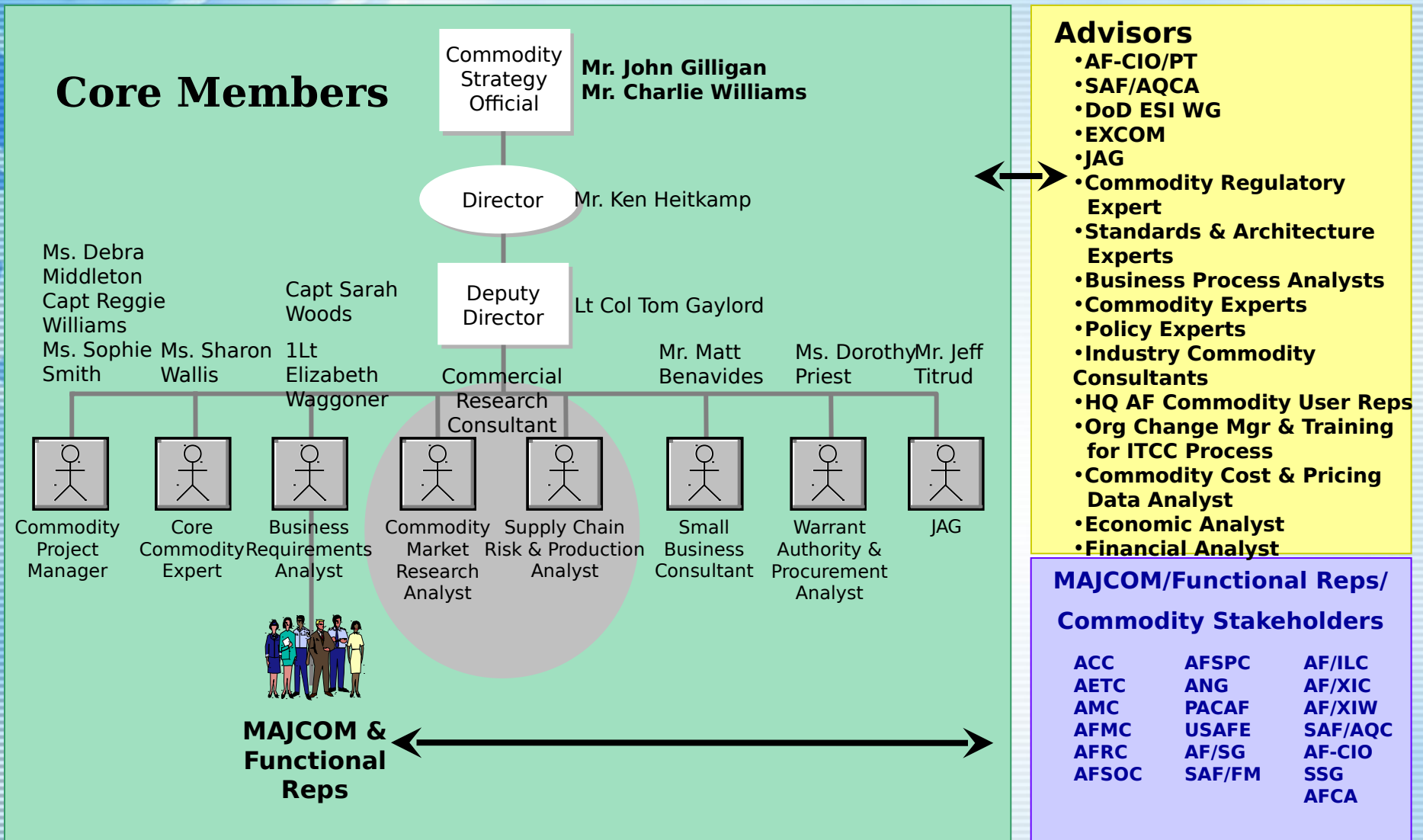
BACKGROUND

- **'Commodity Council' = cross-functional sourcing team**
 - **Develop enterprise-wide procurement strategies**
 - **Integrate customers and suppliers**
 - **Drive commonality and standardization**
 - **Leverage purchasing volume**
- **21 Jul 03 - AF-CIO and SAF/AQC established ITCC to develop IT buying, acquisition, and life-cycle management strategies and to transition the Air Force from tactical to strategic buying**



ITCC GOVERNANCE:

Horizontal Cross Functional Organization





BACKGROUND:

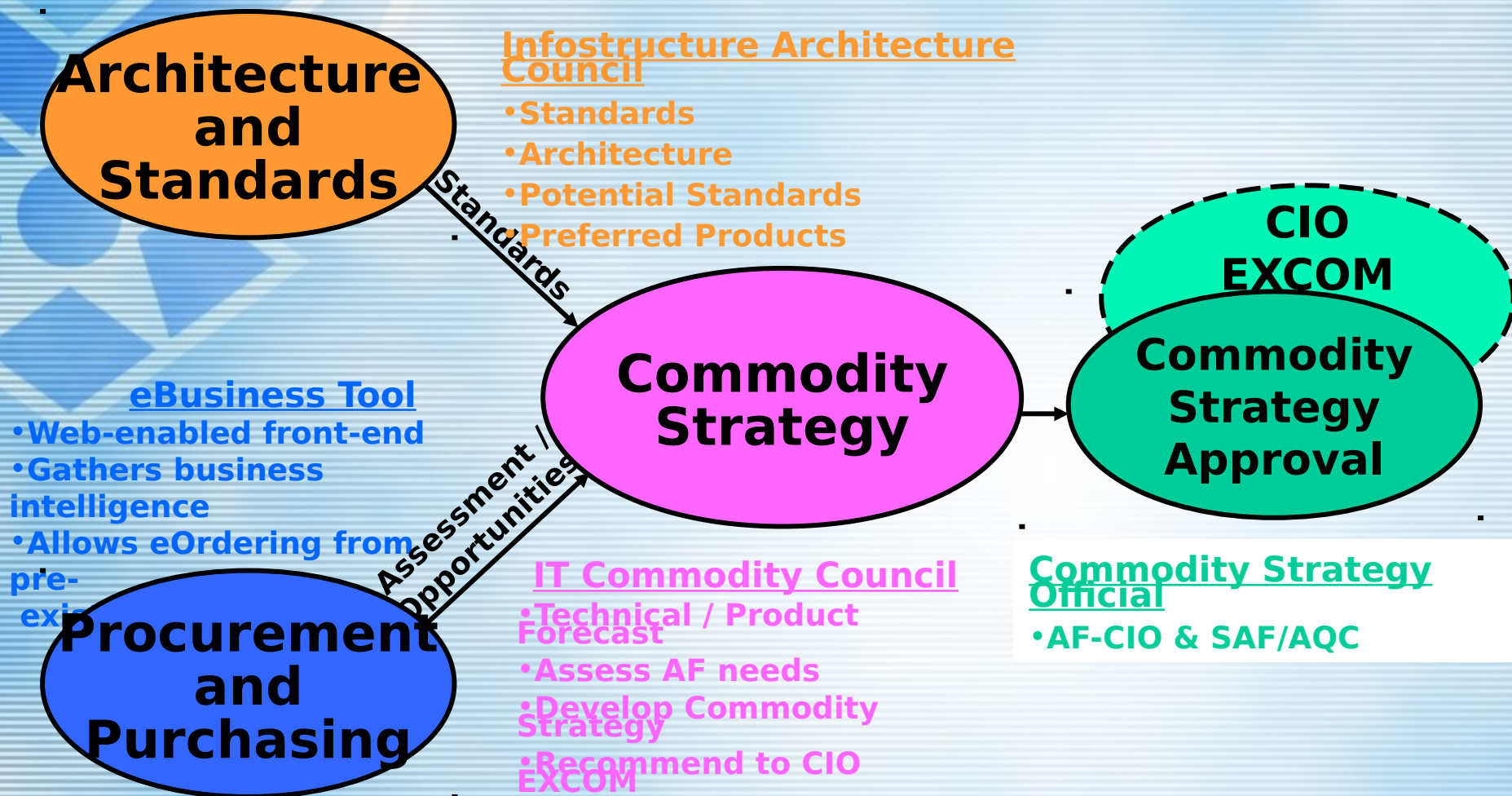
Commercial IT Market Domain

HARDWARE				IT SERVICES		SOFTWARE		TELECOM	
Client Computing	Enterprise Computing	Storage Subsystem	Digital Printing and Imaging	Product Support	Professional Services	Infrastructure Software	Application Software	Telecom Equipment	Telecom Services
Personal Computers	Servers	Raid-based Storage Systems	Copiers	Hardware Maintenance and Support	Consulting and Development	Applications Development and Middleware	Front Office/CRM	Infrastructure Equipment	Fixed Voice Services
Workstations	Server Applications	Storage Network Infrastructure	Printers	Software Maintenance and Support	Development and Integration	Information Management	Back Office/ERP and Supply Chain	Enterprise Equipment	Fixed Data Services
Personal Digital Assistants		Storage Management Software	Scanners		and Process Management	Systems and Network Management	Collaborative and Personal Engineering	Mobile Handsets	Mobile Telecom Services
		Other Storage Subsystems	Faxes		IT Management				Wholesale/Carrier Services
			MFD's						

ITCC to build commodity strategies for commercial IT products and services that are normally not part of a weapon system



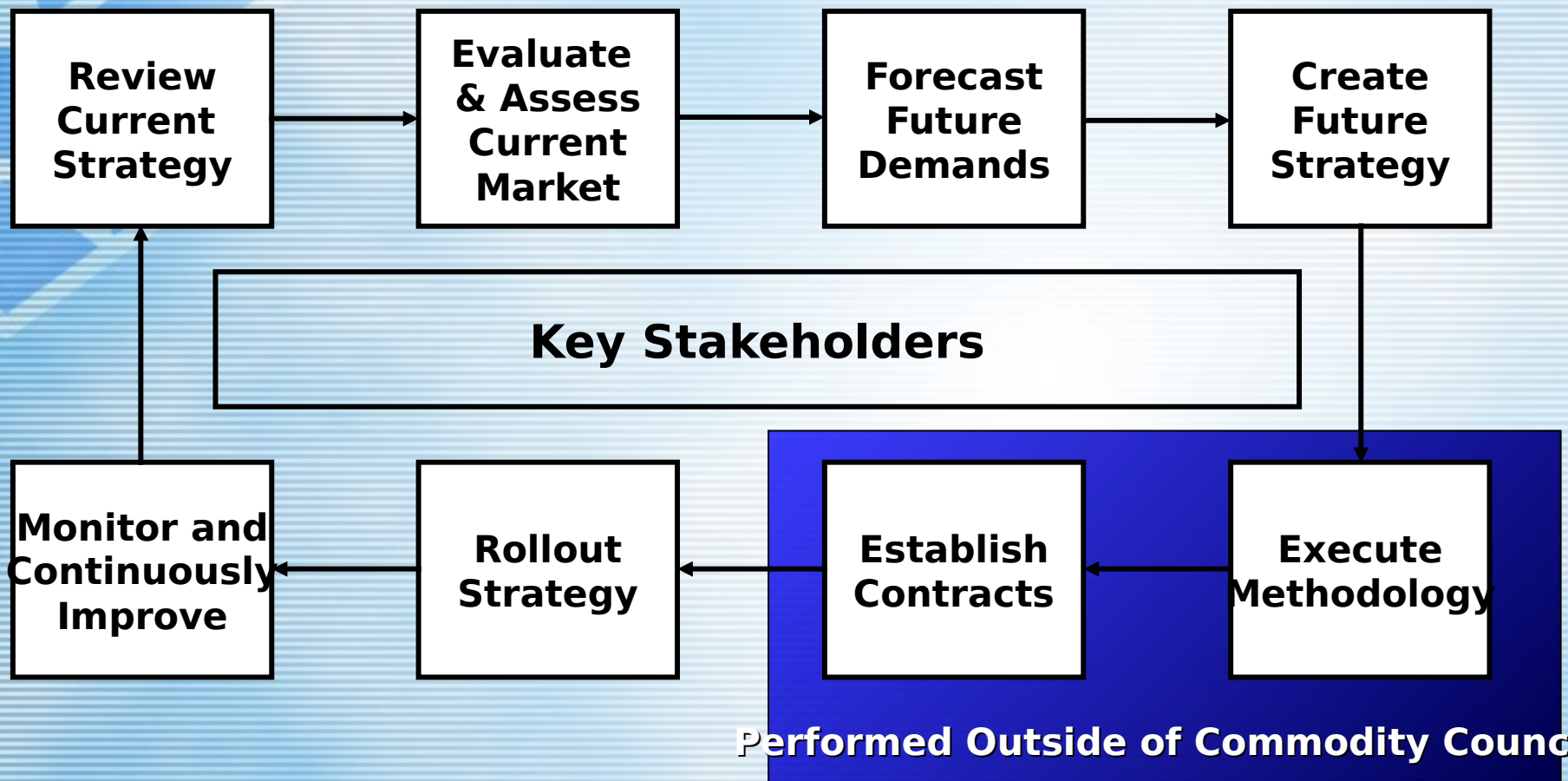
ITCC GOVERNANCE: Structure





ITCC Strategy Development Process

Each Commodity Council will have adequate cross-functional representation and will utilize a standardized process





ITCC Accomplishments/Way Ahead

- **Developed buying, contracting and life-cycle strategy for Desktops/Laptops**
- **Completed 3 Quarterly Enterprise Buys (\$41.5M)**
 - **Established AF “Mainstream” configurations**
 - **Increased AF buying power by over 22%**
- **Rolling out “approved” Desktop/Laptop strategy (Jan - Jun)**
 - **Establishing new enterprise BPAs**
 - **Updated buying process for mainstream PC’s**
 - **Incorporate life-cycle initiatives (e.g. disposal)**
- **Next strategy: Net-Centric Digital Printing and Imaging**

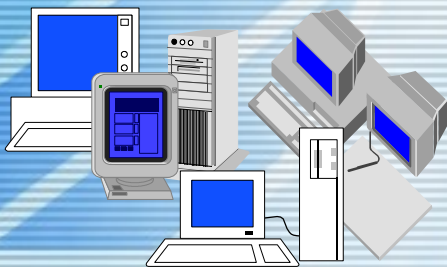


Desktop, Laptop & Server Replacement Strategy

Overview



Major Buying Strategy Pillars



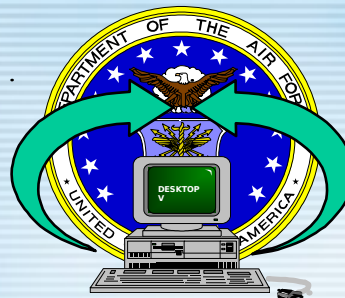
E-procurement with AFWay



MAJCOM Co-operative

- **Buying**
- **Mainstream Configs**
- **Leverage Spend**
- **Best value**
- **Spot bid**
- **Employee Purchases**

Leverage Spend with Tiered Pricing



USAF "Mainstream" Configurations

- **Buying standards (3-4 yr life)**
- **Operational standards for life cycle**
- **Program offices expected to use**



Technology Refreshment

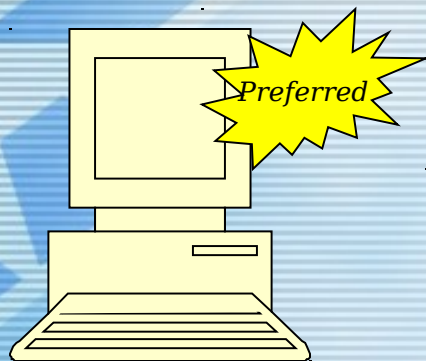
- **Keep pace with market speeds**
- **Carefully consider architectural changes**



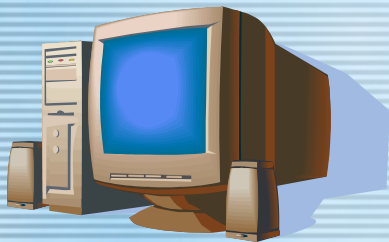


Approved USAF “Mainstream Buying Standards”

Desktop Computers

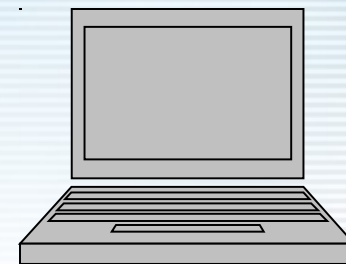


“Mainstream” Desktop
(Small Desktop Form Factor)



“Expandable” Mini-Tower

Notebook/Laptop Computers



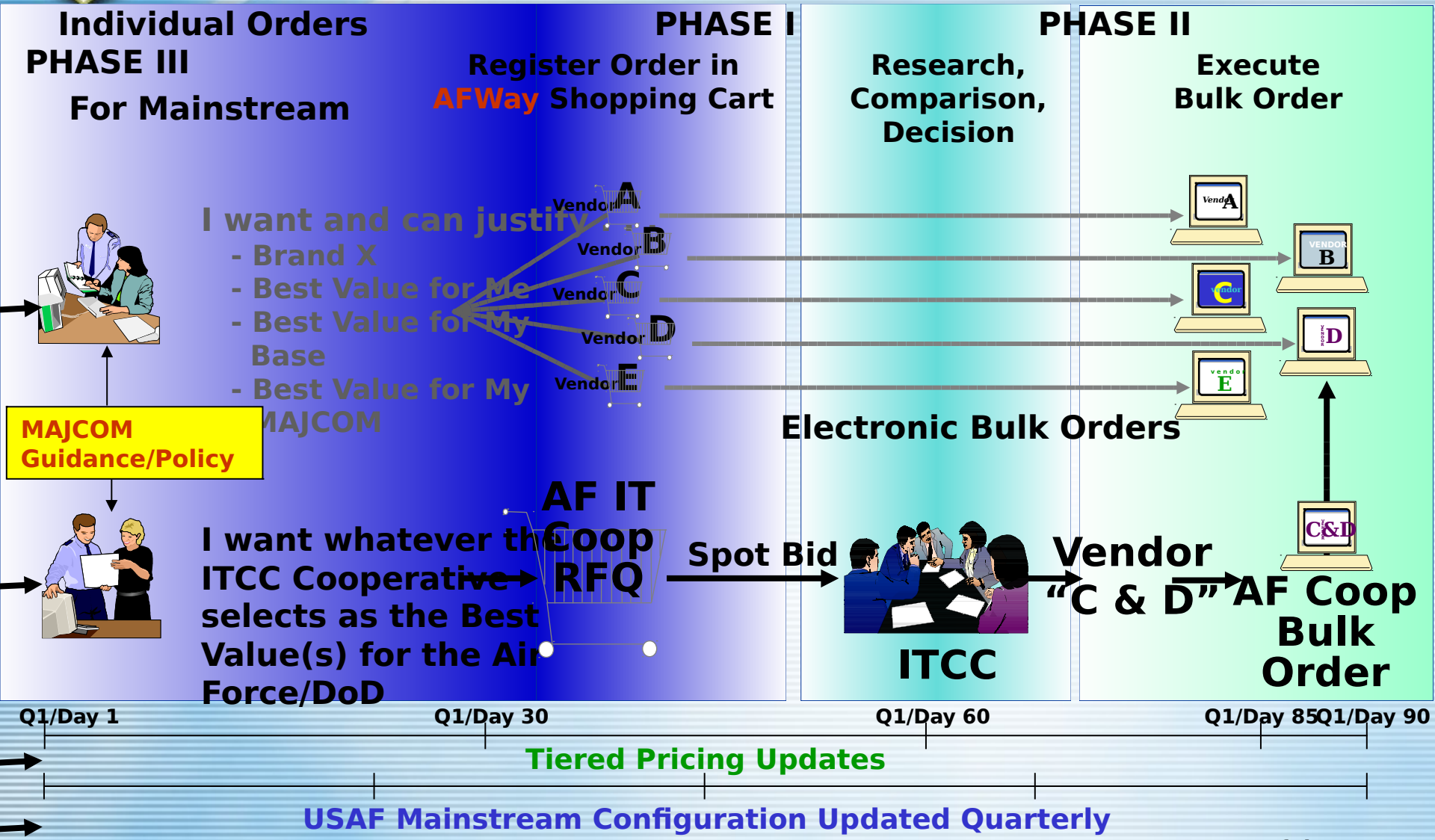
- Published in i-TRM
 - Updated Quarterly
- “Mainstream” Notebook**



Lightweight Notebook



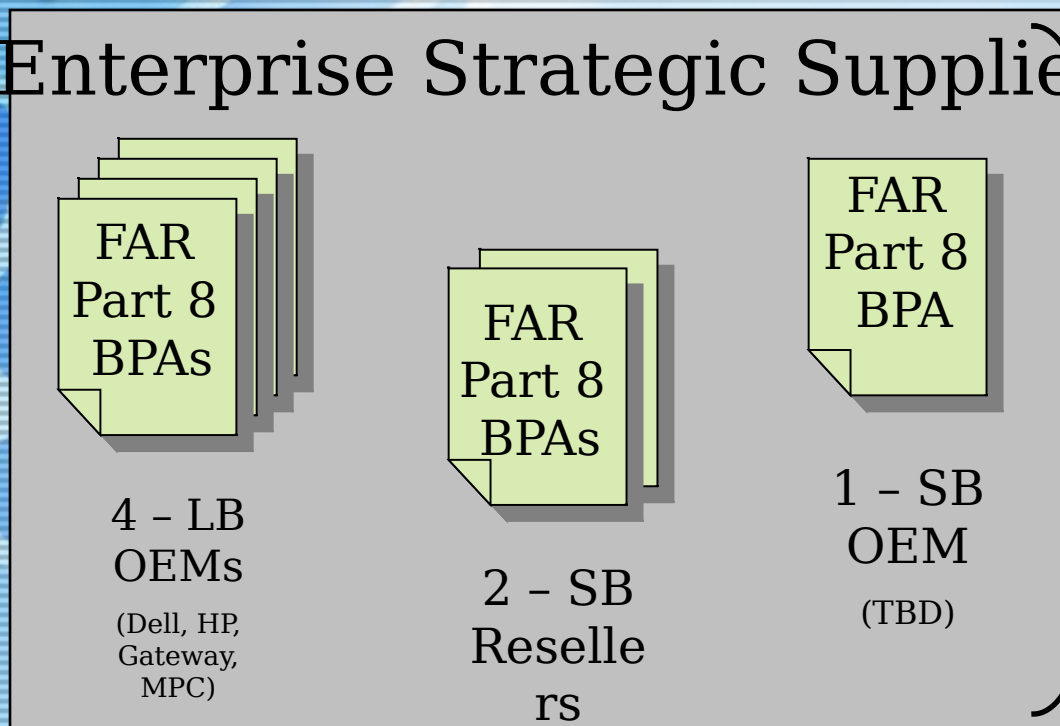
AIR FORCE QUARTERLY ENTERPRISE BUY PROCESS





Contracting Strategy

7 Enterprise Strategic Suppliers



• Products available on AFWay

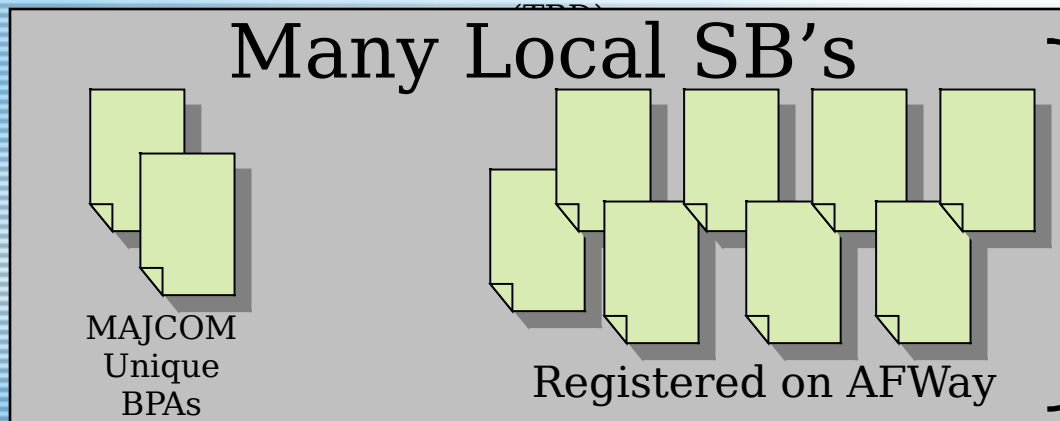
• 5 yr term w/ annual review

• May drop, add or replace suppliers

• Support "Enterprise Needs"

• "Mainstream" Configs

• Source for QEB orders



Many Local SB's

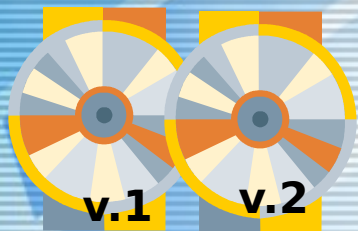
• Compete at D.O. level

• Special and "mainstream" reqs

• Support AF SB goals



Life-cycle Strategy Pillars



AF Software

Image Management

- AF Common Configuration
- Standard System Mgt
- Get current, stay current



Disposition Planning and Services

- Trade In
- Disposal



Planned 3-4 Yr lifecycles



Centralized POM & AF Funding of Enterprise S/W Licenses



Asset Tagging and Electronic Data Capture



Policy Implementation

- **Joint AF-CIO and SAF/AQC policy signed 13 Jul 2004**
 - **Mandates use of i-TRM buying standards**
 - **Mandates use of Quarterly Enterprise Buy Process or SB purchase for all planned buys**
 - **Establishes SB spending targets for MAJCOM and Enterprise Buy Process**
 - **6% MAJCOM target; 6% QEB target; 12% overall goal**
 - **MAJCOM or agency CIO waiver required to deviate**



ITCC Way Ahead for DLS

- **Sustain “Mainstream” configurations**
 - Conduct quarterly reviews & technology roadmaps
 - Provide QEB decision support
- **Support move to an AF common S/W configuration**
 - Leverage Microsoft Licensing Agreements
 - Help AF establish a “Desktop Management Office”
- **Standardize:**
 - Vendor installation services
 - Streamlined disposition process
 - Asset tagging
- **Support improved ordering w/ “New” AFWay**
- **Improve spending visibility**



ITCC Expectations of Strategic Suppliers

- **Support AF Mainstream Configurations**
 - Increase buying standard visibility through sales channel
 - Participate in AF technology roadmap planning
- **Facilitate AFWay improvements to simplify customer ordering**
- **Provide ITCC access to AF spend, reliability, warranty & service call data**
- **Facilitate AF life-cycle strategy initiatives**
 - Software imaging of AF standard S/W config
 - Disposition, installation & asset tagging
- **“Premier-level” customer support**
- **“Best-available” pricing IAW our buying volume**



Summary

- **AF has a new “strategic” buying focus**
- **Seeking a valuable “supplier partnership”**
- **Significant, but competitive, opportunity for large and small business**



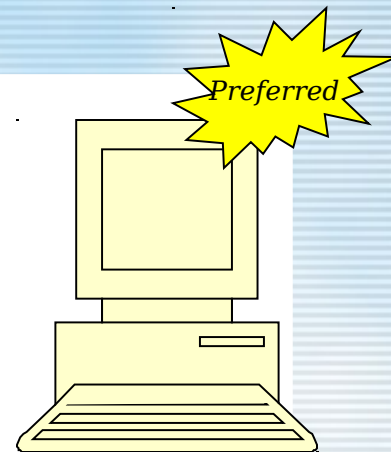
BACKUPS



4QFY04 Mainstream Desktop Configuration

Mainstream Desktop Configuration (Small Form Factor)

CPU:	3.0 GHz (Pentium 4), 800 MHz FSB, 1MB L2 cache
Chipset:	865G
Memory:	512 MB (DDR)
Operating System:	i-TRM Mainstream Microsoft Operating System
Hard Drive:	80 GB (7200 RPM)
Optical Drive:	48X/24X/48X CD-RW/DVD Combo
Video:	Integrated 32 MB Intel Extreme AGP
Audio:	Integrated 16-bit Sound Blaster compatible
Network Support:	10/100/1000 NIC
Ports:	1 RS232D Serial, 1 Parallel, 4 USB 2.0 (2 front, 2 back)
Keyboard:	104-Key Enhanced keyboard with approved CAC reader
Mouse:	2-button MS-compatible optical scrolling mouse (PS2 or USB)
Warranty:	3 Year
Form Factor:	Small Form Factor

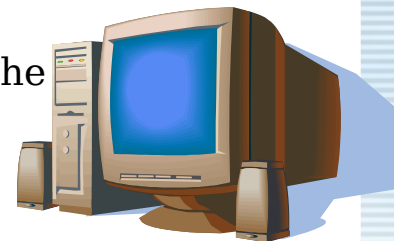




4QFY04 Expandable Mini-Tower Configuration

Mini-Tower Configuration

CPU: 3.0 GHz (Pentium 4); 800 MHz FSB, 1MB L2 cache
Chipset: 865G
Memory: 512 MB (DDR)
Operating System: i-TRM Mainstream Microsoft Operating System
Hard Drive: 80 GB (7200 RPM)
Optical Drive: 48X/24X/48X CD-RW/DVD Combo
Video: Integrated 32 MB Intel Extreme AGP
Audio: Integrated 16-bit Sound Blaster compatible
Network Support: 10/100/1000 NIC
Ports: 1 RS232D Serial, 1 Parallel, 4 USB 2.0 (2 front, 2 back)
Keyboard: 104-Key Enhanced keyboard with approved CAC reader
Mouse: 2-button MS-compatible optical scrolling mouse (PS2 or USB)
Warranty: 3 Year
Form Factor: Mini-Tower

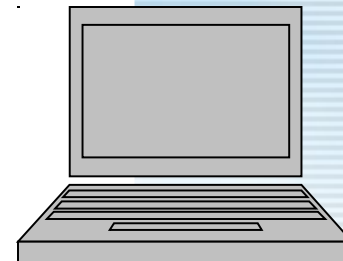




4QFY04 Mainstream Notebook/Laptop Configuration

Mainstream Notebook/Laptop

CPU:	1.7 GHz (Pentium M)
Weight:	7lbs or less
Chipset:	855
Memory:	512 MB (DDR)
Operating System:	i-TRM Mainstream Microsoft Operating System
Hard Drive:	40 GB (5400 RPM)
Removable:	DVD, CD-RW (May be combo)
Video:	Integrated 32 MB AGP
Monitor:	14.1" XGA Active Matrix (TFT)
Audio:	Integrated 16-bit Sound Blaster compatible
Network Support:	10/100 Base-T NIC
Wireless:	802.11g
Modem:	56K/v.92
Ports:	1 RS232D Serial, 1 Parallel, 2 USB 2.0
Mouse:	(Not included in base system—see upgrades/options)
PCMCIA Slots:	2 Type II or 1 Type III slot
CAC Card Reader:	(Not included in baseline configuration) ¹
Warranty:	3 Year





4QFY04 Lightweight Notebook/Laptop Configuration

Lightweight Notebook/Laptop

CPU:	1.7 GHz (Pentium M)
Weight:	4.7lbs or less
Chipset:	855
Memory:	512 MB (DDR)
Operating System:	i-TRM Mainstream Microsoft Operating System
Hard Drive:	40 GB (5400 RPM)
Optical Drive(s):	DVD, CD-RW (May be combo)
Video:	Integrated 32 MB AGP
Monitor:	12.1" XGA Active Matrix (TFT)
Audio:	Integrated 16-bit Sound Blaster compatible
Network Support:	10/100 Base-T NIC
Wireless:	802.11g
Modem:	56K/v.92
Ports:	1 RS232D Serial, 1 Parallel, 1 USB 2.0
Mouse:	(Not included in baseline configuration--see upgrades/options)
PCMCIA Slots:	1 Type II
CAC Card Reader:	(Not included in baseline configuration) ¹
Warranty:	3 Year

